



Colorado Department of Labor and Employment
Innovative Industries Internship Program Legislative Report HB 15-1230
FY 2017-18

1. Background

House Bill 15-1230 created the Innovative Industries Internship Workforce Development Program. The program reimburses employers with high-level internships in an innovative industry for up to \$5,000 in expenses per intern. There are eight eligible industries:

- Advanced Manufacturing
- Energy and Natural Resources
- Information Technology
- Aerospace
- Engineering
- Bioscience
- Construction
- Electronics

An employer may be reimbursed for up to one-half of its expenses related to a qualifying internship and may apply for up to 5 interns per location. The program incentivizes employers in growing Colorado industries to increase paid internships and support a consistent and experienced talent pipeline. The Innovative Industries Internship program also contracts up to \$10,000 per industry intermediary to recruit participating employers.

Current industry intermediaries include Colorado Advanced Manufacturing Association, Associated General Contractors, Colorado Bioscience Institute, Colorado Photonics Industry Association, and the Colorado Cleantech Industries Association.

2. Summary of Activity

In FY 16-17, the Innovative Industries Internship program launched its second cycle and began receiving applications from businesses in January 2017. The application process for this cycle year closed on February 15th and awards were announced March 15, 2017. This year, 109 employers were awarded funding. Businesses were matched with student-interns through various networks at universities, community colleges, and certification or technical training programs.

Since inception of the program, 338 internship spots have been approved with businesses. 291 interns have either completed the program, are currently enrolled, or have a pending start date. There are 179 participating businesses in various industries, of which 7% are rural and 93% are within the metro Denver area. For FY 16-17, industry demand had grown to three times the available grant funding. Consequently, businesses in the FY 16-17 year received



approval for no more than three interns. Many business got fewer interns than requested as grant funds were not sufficient to meet demand.

3. Program Performance and Demographics

Table 1- INNOVATIVE INDUSTRIES INTERNSHIP PROGRAM PERFORMANCE

	Program Data FY16-17	Cumulative Totals Since Inception
# of internships spots approved	130	338
# of businesses denied ¹	53	78
# of interns approved	98	328
Current active internships	98	N/A
# of interns matched with future start	12	N/A
# of veterans in active internships	4	11
Completed internships	0 ²	181
2016-17 reimbursements	\$791,881.58 ³	\$1,690,000
Encumbered for approved internships	\$550,000 ⁴	\$1,370,000
# of internships under 100 employees	116	150
# of internships 100+ employees	35	294
Average hourly wage	\$14.60	\$12.55
Rural businesses	5	13
Metro businesses	104	166

Table 2- INDUSTRY DEMOGRAPHICS

¹ Denial reasons included: business not in one of the innovative industries, internship extends beyond six months, intern curriculum not provided and did not respond to request for further information, and businesses with over 100 employees after quota had been met.

² Interns have anticipated future completion dates.

³ Program reimbursements up to \$5,000 in total expenses per intern. This figure includes roll-forward funds from FY 15-16.

⁴ Encumbered appropriated funds include for current and future intern approved for this cycle.



Demographics represent businesses with applications that have met the minimum eligibility criteria. Not all have found an intern.

Industry	Number of Businesses ⁵
Aerospace	19
Advanced Manufacturing	61
Bioscience	39
Construction	41
Electronics	28
Energy & Natural Resources	32
Engineering	83
Information Technology	33

Table 3- INTERN DATA FOR MATCHED INTERNSHIPS⁶

Demographic Information	
Male	212
Female	74
Enrolled in high school	16
Enrolled in adult education	2
Enrolled in training or cert program	11
Working on Bachelor's or Associate's	257
Schools Interns are Attending	
Colorado State – Fort Collins	76
CU Boulder	67
Colorado School of Mines	22
Colorado State - Pueblo	7
Pikes Peak Community College	9
Front Range Community College	5
Metro – Denver	5
All others	95

⁵ Some businesses are counted in multiple industries, so the total count is higher than the total number of businesses.

⁶ Intern data is included for only those interns placed in active internships.



4. Impact Facts and Testimonials from Business and Interns

Internships are part of a continuum of work-based learning (WBL) strategies ranging from short-term on-the-job training to full-time registered apprenticeships. Registered apprenticeships are considered the most comprehensive and desirable form of WBL and are a targeted strategy in the Governor's economic development plan for Colorado. An interesting trend emerged during the first year; forty-four percent (44%) of participating employers expressed interest in creating registered apprenticeships. Exposure to the Innovative Industries Internship program made it possible to have individual conversations with employers about expanding their work-based learning program to include apprenticeships.

Business and intern feedback is important, as it provides critical insight and opportunity to enhance the program. One business stated,

"This is a great opportunity to grow the skilled workforce we need in the Front Range. What a great opportunity to encourage a small company, like ESI, to be able to offer an intern an opportunity like this. The intern comes away with real experience that can benefit his future employer (if not us) when he graduates."

Another business states, "This program allowed us to hire an intern and address long term infrastructure projects that we would not otherwise have the bandwidth to complete."

The Innovative Industries Internship program supports the Colorado talent pipeline and sets the foundation for a career path for many job seekers. "This is a good way to allow small companies to hire interns. Working for a small company let me see how the business was run and learn more than just the lab and research techniques. It definitely broadened my knowledge overall." The success of the program and thoughtful feedback from interns who share their experiences is invaluable. "I liked that I received hands on experience in both my field of study and other fields (due to the small size of the company). The program allowed me to be exposed to all aspects of a biomedical company while receiving hourly wages. Internships like those are hard to come by when still in school, so I am grateful for this opportunity," said an intern.

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